

WAVERLEY AND DISTRICT CO-OPERATIVE LTD.



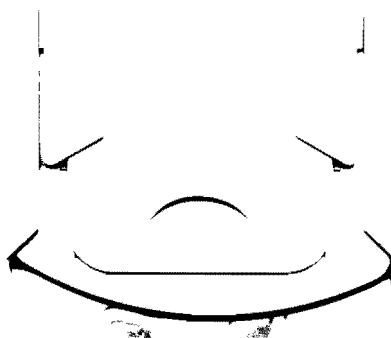
BUSINESS OF ANNUAL MEETING :

1. To confirm the Minutes of the Eleventh Annual General Meeting held on 27 June 1972.
2. To receive and adopt the report of the Board of Directors for the year ended 31 March 1973.
3. To receive and adopt the financial statements of the Society for the year ended 31 March 1973.
4. To determine the rate of dividend on paid up share capital.
5. To elect three Directors to fill vacancies on the Board of Directors and determine the remuneration of Directors.
6. To elect an auditor for the financial year ending 31 March 1974, and to determine his remuneration.
7. To consider any other business of which due notice has been given.

By order of the Board of Directors

GEOFF OLLE - Chairman

CHRIS STOCKS - Secretary



CHAIRMAN'S REPORT

Ladies and Gentlemen,

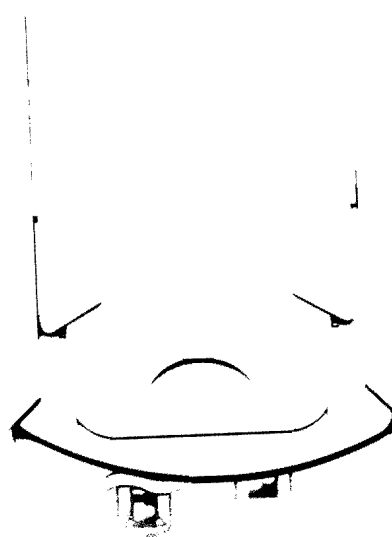
The growth of membership and sales during the last year exceeded our expectations and proves that there is a need for such an organisation in the field of school uniforms. The Board feels that the Co-operative is reaching the stage when some real advances can be made. To date, a lot of our effort has been directed to getting the business off the ground and while there are still some aspects which will require our attention, we think that we can now give some consideration to other matters.

Inflation

For example, one matter that has given us concern over the last year has been the unusually large increase in the cost of uniforms. Apart from increases arising from the higher wages paid to employees of manufacturers and higher wool prices we have also suffered from currency exchange rate variations on imported items - particularly frock material from Japan. The increases have been so large that we have been unable to maintain our usual policy of setting prices in November to apply for the next year, absorbing such price increases that may have arisen during that period.

The Board has been forced to adopt the policy whereby goods are priced as they are received at our normal 45% mark up. This means that stock of the same type and size may be priced differently, the cheaper uniforms will be those which were purchased earlier than the higher priced ones.

Another problem to which the Board has given a lot of consideration is the increasing cost of frocks. It has got to the stage where the cost of a simple frock for a primary school has got completely out of the question for many members. The Board has decided that, where the total number of sales of a frock will require 600 to 800 yards of material each year, the Co-operative will purchase the material itself (a minimum order for an exclusive design being 2000 yards) and either get the frocks made up by a manufacturer or get them made up ourselves by competent people working at home. Orders made for two schools on this basis will mean savings of at least \$6 on each made up frock over the price which would have applied next year and increased savings for the following year. The work already done in standardising the design of the primary school frock will help in this regard.



Future Development

Already, the Co-operative building is proving inadequate for the needs of both the credit union and ourselves. It was anticipated that both Co-operatives would be able to use it for at least four years but it seems that two and perhaps three years will be closer to the mark. It seems that immediate steps will have to be taken to plan alternative accommodation.

In some primary schools we have found that Mothers' Clubs have taken steps to make money for the school by retailing school uniforms. To date, these uniforms have been supplied by others. Further, the Board of Directors has adopted a policy that where uniforms are supplied by the Co-operative no rebates or monies should be paid to the school concerned, because it was considered that the existing pricing adopted by the Co-operative would have to be increased to pay such a rebate. It seemed to be merely a hidden levy on parents purchasing school uniforms and, on that basis, it was not acceptable to the Board.

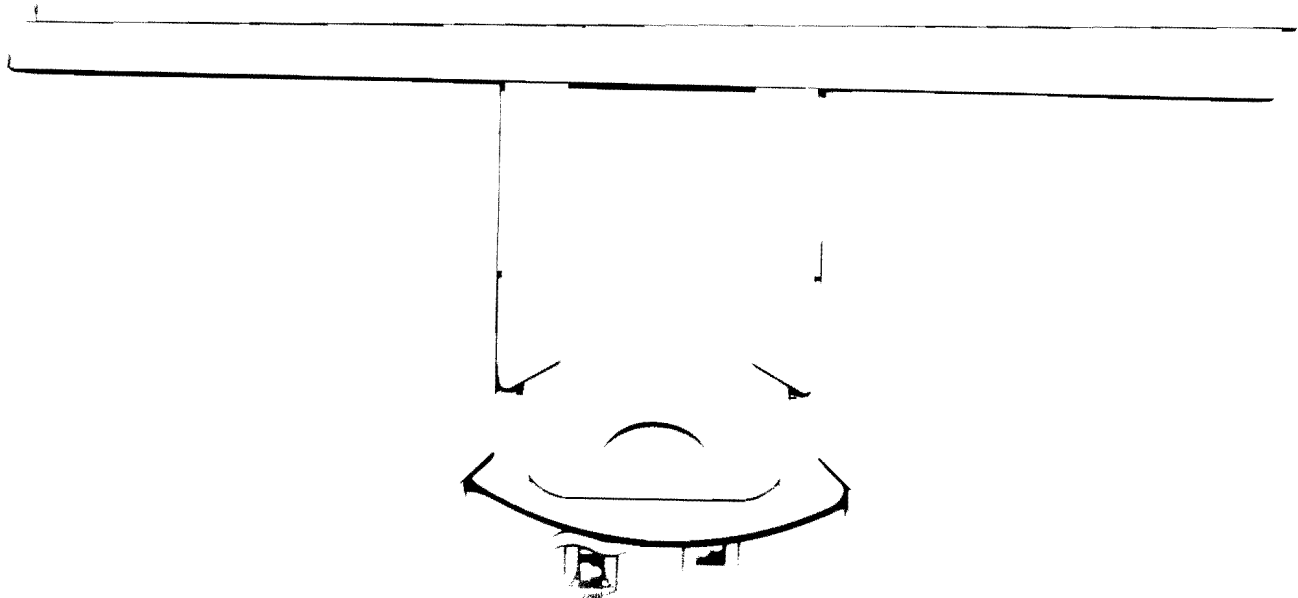
However, some consideration may be warranted to paying the Mothers' Club a selling commission in the case of schools which provide a selling staff to sell the uniforms at the school. It could be that savings involved in storing and selling the uniforms could be passed on in the form of this commission. Consideration will be given to this aspect by the Board in the near future.

Directors

My thanks go to the members of the Board who have put in much of their time and effort over the last year in the running of the Co-operative. In addition to monthly Board meetings, they have spent also many hours in various ways in the business of the Co-operative.

For and on behalf of the Board

G. D. OLLE,
CHAIRMAN.



SECRETARY'S REPORT

Ladies and Gentlemen,

The year to 31 March 1973 was the first full year of operation in commercial premises and it proved that we can operate successfully on a full time basis. In fact, the increased membership and the demand for school uniforms was such that it will be necessary to revise our plans for future development. It appears that our present location will be insufficient for our purposes within another year.

Membership

Our membership increased from 786 at 31 March 1972 to 1073 at 31 March 1973. 316 new members joined during the year and 17 members withdrew from membership. 12 members forfeited their membership by not paying off their share monies and the amounts standing to their credit have been transferred to the Forfeited Shares Reserve.

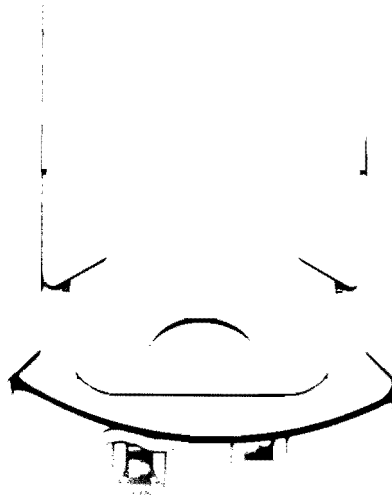
Sales

Again, the increase in sales exceeded our budgeted requirements. During the year, many more people made purchases of school uniforms from us than in the previous year and during the last six months the number of sales has been nearly what we expected for a full year. Sales to members during the year amounted to 65% of total sales (75% in the previous year) and the benefit of the discount to those members was in excess of \$5000.

Staff

Mrs. Denise Burt resigned as manageress in July 1972. Her work in a part-time and in a full time capacity enabled us to make the transition from a part-time to a full time operation and to do so successfully. Mrs. Maureen Corstorphan who replaced Denise provided sterling service until February when she resigned for family reasons. Mrs. Joy Bradbury was appointed in February 1973 to replace Maureen.

They and our part-time staff have given enthusiastic and willing service and their friendly and helpful attitude is appreciated. Every member is entitled to the best service at the best price that we can provide. After all, that is what the Co-operative is all about.



Finance

Additional finance was required after the end of last year. Over \$1000 was received from members who took out \$20 Deposit Certificates. These Certificates are worth \$25 after three years and are still available. Further finance was obtained from Glen Waverley Credit Co-operative Ltd. making a total deposit of \$5000. In September 1972 that deposit was replaced by a deposit of \$5000 from P. T. A. (Vic.) Credit Co-operative Ltd. at a reduced rate of interest.

It appears that we have adequate finance for the time being however our future needs will depend on our future - where we will be located, the number of schools for which we carry uniforms and the development of other lines for sale.

Financial Statements

The profit and loss account following this report shows a profit of \$1918. The increased costs for the year compared with the previous year are generally the result of operating full time for the whole year compared with only four months full time operation in the previous year.

The Board recommends the allocation of the profit as follows :-

- (a) payment of a dividend of 6% on paid up capital at 31 March 1973 - \$675, and
- (b) transfer of the balance to reserves.

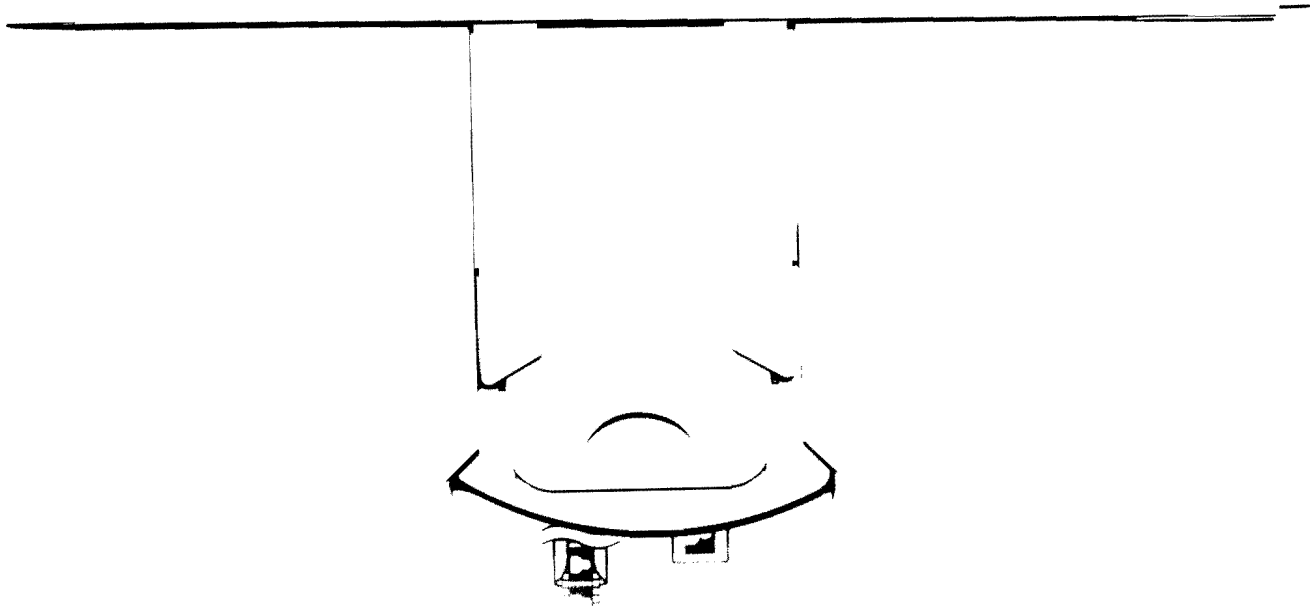
Directors

In accordance with the rules of the Co-operative, the following directors retire at the Annual Meeting : Mesdames Douglas, Burt and Leversha.

Nominations for those vacancies will be accepted at the Meeting.

For and on behalf of the Board

C. J. STOCKS,
SECRETARY.



WAVERLEY AND DISTRICT CO-OPERATIVE LTD.
PROFIT AND LOSS STATEMENT - YEAR ENDED 31 MARCH 1973

		<u>1972</u>
SALES	71,482	39,903
Discount and Commission Received	<u>1,238</u>	<u>748</u>
	72,720	40,651
<u>LESS</u> Cost of Sales	56,066	32,201
<u>LESS</u> Overhead and Operating Expenses :-	16,654	8,450
Salaries & Casual Labour	8,159	4,458
Advertising & Stationery	984	723
Audit Fees	60	<u>50</u>
Bank Charges	133	
Directors' Fees	350	280
Depreciation - Fixed Assets	261	109
Electricity	145	13
Insurances	92	175
Interest Payable	510	7
Postages	214	215
Rent Paid	1,980	790
Sundry Expenses	211	130
Subscriptions	65	59
Telephone	<u>155</u>	<u>262</u>
	13,319	7,350
<u>NET PROFIT BEFORE TAXATION</u>	<u>3,335</u>	<u>1,100</u>
Provision for Taxation	<u>1,417</u>	<u>470</u>
<u>NET PROFIT FOR YEAR CARRIED FORWARD</u>	<u>\$1,918</u>	<u>\$630</u>
<u>GENERAL RESERVE - YEAR ENDED 31 MARCH 1973</u>		
Balance at 31 March 1972	3,341	
Unappropriate Profit 31 March 1972	<u>630</u>	
	3,971	
<u>LESS</u> Dividend Paid	546	
Transfer to Statutory Reserve	<u>32</u>	
	<u>578</u>	
<u>BALANCE AT 31 MARCH 1973</u>	<u>\$3,393</u>	

WAVERLEY AND DISTRICT CO-OPERATIVE LTD.
BALANCE SHEET AT 31 MARCH 1973

			<u>1972</u>
<u>MEMBERS' FUNDS :</u>			
Issued Capital - 5627 shares of \$2		11,254	9,340
<u>LESS</u> unpaid capital		<u>40</u>	<u>356</u>
<u>PAID UP CAPITAL</u>		<u>11,214</u>	<u>8,984</u>
<u>RESERVES -</u>			
Statutory	339		307
Forfeited Shares	323		278
Capital	142		142
General	3,393		3,341
Unappropriated Profits	<u>1,918</u>	<u>6,115</u>	<u>630</u>
		<u>\$17,329</u>	<u>\$13,682</u>
<u>REPRESENTED BY -</u>			
<u>FIXED ASSETS -</u>			
Office Fittings and Equipment at cost	2,441		2,230
<u>LESS</u> Provision for Depreciation	<u>553</u>	1,888	292
<u>INVESTMENTS</u> at cost		70	30
<u>CURRENT ASSETS -</u>			
Cash at bank and on hand	8,524		1,000
Stock on hand, at lower of cost or net realisable value	23,300		23,085
Trade Debtors - Less provision for doubtful debts (\$100)	2,092		2,109
Prepaid Charges	<u>165</u>	<u>34,081</u>	<u>165</u>
		<u>36,039</u>	<u>28,327</u>
<u>CURRENT LIABILITIES -</u>			
Trade Creditors	7,815		11,989
Other Creditors and Accrued Charges	1,221		538
Provision for Taxation	1,887		470
Shareholders' Accounts	1,347		1,048
Depositors' Accounts	<u>5,100</u>	<u>17,370</u>	<u>600</u>
		<u>18,669</u>	
<u>DEFERRED LIABILITIES -</u>			
Deposit Certificates		<u>1,340</u>	<u>-</u>
<u>TOTAL NET ASSETS</u>			
		<u>\$17,329</u>	<u>\$13,682</u>
<u>CONTINGENT LIABILITY -</u>			
Unpaid on C.I.C. shares \$160			

AUDITORS REPORT
TO THE MEMBERS OF WAVERLEY AND DISTRICT
CO-OPERATIVE LTD.

I have examined the books, accounts and vouchers of the Society and have obtained all the information and explanations required by me. In my opinion the accompanying Profit and Loss Statement for the year ended 31 March 1972 and Balance Sheet at 31 March 1973 are properly drawn up so as to exhibit a true and fair view of the financial position of the Society according to the information at my disposal, and explanations given to me and as shown by the books of the Society. I have seen completed stock sheets, which were duly certified at the values stated herein. I also report that the rules relating to the administration of the funds of the Society have been observed.

Dated at Glen Waverley this
14th day of May 1973

F. P. WARTON
of Anderson Shackell & Co.
Chartered Accountants.

STATEMENT OF BOARD OF DIRECTORS

We Geoff Olle and Brian Frazer being two members of the Board of Directors of Waverley and District Co-operative Limited, consider that the accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the Society as at 31 March 1973 and that the accompanying Profit and Loss Statement is drawn up so as to give a true and fair view of the results of the business of the Society for the year then ended. In the opinion of the Board of Directors the results of the Society's operations for the year have not been affected materially by items of an abnormal nature.

Dated at Glen Waverley this
14th day of May 1973

Signed on behalf of the Board of
Directors

G. OLLE
B. FRAZER - Directors

DECLARATION BY SECRETARY

I Christopher Stocks of 843 High Street Road, Glen Waverley, being Secretary of Waverley and District Co-operative Ltd. solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying Balance Sheet and Profit and Loss Statement are correct.

Dated at Glen Waverley this
14th day of May 1973

C. J. STOCKS - Secretary

